

AGENDA ITEM SUMMARY

Meeting Date: April 16, 2003Division: Management ServicesBulk Item: Yes X No Department: Technical Services**AGENDA ITEM WORDING:**

Approval to waive Purchasing Policy and Procedure and enter into a Special Service Arrangement Agreement, Addendum #1, and Amendment with Bellsouth for dedicated technician and upgrade to all County phone systems and authorization for Mayor to execute.

ITEM BACKGROUND:

This contract was negotiated with Bellsouth for a dedicated Bellsouth technician. This agreement will eliminate costly repairs..

PREVIOUS RELEVANT BOCC ACTION:

Contract approved on March 15, 2000, for 1 year, 2 year contract extension renewal approved on April 19, 2000.

CONTRACT/AGREEMENT CHANGES:

Contract price is \$7,023.41 less per year, term is 5 years, contract includes a 20% discount on all Nortel Equipment purchases and free base software upgrades to the existing (6) PBX's during the term of the contract.

STAFF RECOMMENDATIONS:

approval

TOTAL COST: \$780,882.96/ 5 yearsBUDGETED: Yes X No COST TO COUNTY: \$780,882.96/ 5 yearsSOURCE OF FUNDS: Ad Valorem TaxesREVENUE PRODUCING: Yes No X AMOUNT PER MONTH Year APPROVED BY: County Atty OMB/Purchasing Risk Management

DEPARTMENT DIRECTOR APPROVAL:


Todd Erickson

DIVISION DIRECTOR APPROVAL:


Sheila A. BarkerDOCUMENTATION: Included XTo Follow Not Required DISPOSITION: AGENDA ITEM # C-29

MONROE COUNTY BOARD OF COUNTY COMMISSIONERS

CONTRACT SUMMARY

Contract with: BellSouth Contract #
 Effective Date: April 16, 2003
 Expiration Date: April 16, 2008

Contract Purpose/Description:
Full time Dedicated BellSouth Technician.

Contract Manager: Lisa Druckemiller 5100 Technical Services/5B
 (Name) (Ext.) (Department/Stop #)

for BOCC meeting on 4/16/03 Agenda Deadline: 4/02/03

CONTRACT COSTS

Total Dollar Value of Contract: \$ 780,882.96 Current Year Portion: \$ 78,088.32
 Budgeted? Yes ☒ No ☐ Account Codes: 001-06002-530-460-
 Grant: \$ - - - - -
 County Match: \$ - - - - -

ADDITIONAL COSTS

Estimated Ongoing Costs: For:
 (Not included in dollar value above) (eg. maintenance, utilities, janitorial, salaries, etc.)

CONTRACT REVIEW

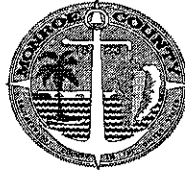
	Date In	Changes Needed	Reviewer	Date Out
Division Director	<u> </u>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	<u>Sheila A. Barker</u>	<u>3/28/03</u>
Risk Management	<u>3/28/03</u>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	<u>W. J. [Signature]</u>	<u>3/28/03</u>
O.M.B./Purchasing	<u>3/31/03</u>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	<u>GA [Signature]</u>	<u>4/1/03</u>
County Attorney	<u> </u>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<u>See Contract</u>	<u> </u>

Comments: OMB: needs line item transfer [Signature]



BOARD OF COUNTY COMMISSIONERS

Mayor Dixie M. Spehar, District 1
Mayor Pro Tem Murray E. Nelson, District 5
George Neugent, District 2
Charles "Sonny" McCoy, District 3
David P. Rice, District 4



To: Sheila Barker
From: Todd Erickson
Date: March 28, 2003
RE: Bellsouth Contract

Sheila,

I have reviewed your questions on the new Bellsouth contract, and I wanted to address them. Lisa and I have spent several months working on this contract, and as I hope to show, it provides Monroe County with the best value, reliability and expandability.

First, let me address the subject of the dedicated technician vs contract only labor. Back in 2000, Lisa performed a cost analysis of what the County was spending for contracted labor and was able to negotiate a full time technician for slightly more. The County was spending approx. \$149,135 annually for contract labor, and a full time technician was only \$163,200. The small difference in price was easily made up by the level of service and continuity within the department. Ed has been an invaluable aid in almost every new building construction or remodel. The original contract was for 3 years, and the proposal I am recommending has the new annual cost down to \$156,168 annually. This is major, since contract labor prices have risen from \$110 per hour to \$130 per hour today. The contract I am proposing also includes all of the software upgrades for all 6 PBX's for the entire 5 year contract and a 20% discount on the purchase on any phone equipment. The software alone is worth \$20,000 annually and the discount will add up to even more savings. With the execution of this contract and the corresponding equipment contract, the next 60 months will require the largest planning and reconfiguration that the County has ever experienced due to the implementation of IP telephony. This implementation will result in significant future cost savings and feature enhancement. I don't feel that contracted labor would be able to deliver the type of integration that is necessary during this important phase.

Second, let me address the question about the leased PBX equipment. It is my feeling and professional opinion that a fair market value lease was the best choice for our current situation. I feel this way because it offers the most cost effective monthly payments and in 60 months, it will be in the County's best interest to get rid of it and lease or purchase new equipment. This is much different from years past, as PBX technology is rapidly developing. Having negotiated all of the necessary software upgrades should keep us in good shape for the 60 months, but it will definitely be time to start replacing equipment by that interval. You inquired about warranty work on the new PBX equipment, and YES, anything that we are replacing is covered under warranty; however, the manufacturers warranty only covers the equipment itself for a period of one year. Since the lease is for 60 months, coverage for the additional 48 months has been factored into the cost mentioned above.

These two contracts must be executed together, as that was the only way to get both of the prices down. We negotiated over \$270,000 in savings from the original Bellsouth proposal. I am confident that this is the best way for the County to go, and even with the budget crunch next year, passing up this opportunity would only end up costing tens of thousands more in the future.

Thank you


Todd Erickson

Addendum to Monroe County Dedicated Technician Agreement
Ref: Maintenance

The following Monroe County addresses contain equipment that is covered under the Dedicated Technician Agreement:

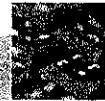
- 1200 Truman Avenue SLI
- 500 Whitehead Street SLI
- 5100 Jr. College Road SLI
- 88800 Overseas Highway SLI
- 490 63rd Street SLI
- 2798 Overseas Highway SLI
- 186 Key Heights Drive - Public Works Garage
- 5501 W College Road - Jail
- 2805 Overseas Highway - State Attorney (4695 Overseas Hwy suite 101)
- 5205 College Road - Animal Shelter Key West
- 3117 Overseas Highway Judge Becker; Clerk
- 3101 Overseas Highway Tax Collector
- 9000 Overseas Highway Monroe Co Airport
- 81-5 Bayside - Library - Islamorada
- 101 Tradewinds Shopping Center Library - Key Largo
- 3251 Overseas Highway Library - Marathon
- 89240 Overseas Highway Public Defender
- 10600 Aviation Boulevard - Public Works
- 701 Key Deer Boulevard - Library Big Pine (213 Key Deer)
- 8700 Overseas Highway 87000 - Tax collector
- 3583 S Roosevelt Boulevard Public Works
- 1503 Kennedy Drive Guardian Addition
- 87831 Overseas Highway Public Work Garage
- 25 Ships Way - Commissioner Nugent
- 4695 Overseas Highway - Public Defender Suite #2
- 10600 Aviation Boulevard - Animal Shelter Marathon
- 524 Eaton Street - Public Defender
- 700 Fleming Street - Library - Key West

Confirmed Equipment Inventory to be added as attachment A

- 5200 College Road - Bayshore Manor
- 10600 Aviation Blvd. Communications



At Your Business



Monroe County VoIP PBX Upgrade Project And Dedicated Technician

March 3, 2003

Equipment with ITG cards and Dedicated Technician 60 month contract

60 month contract for Dedicated Tech	\$	780,882.96
60 month Term FMV for Equipment	\$	193,304.40
Totals	\$	974,187.36
Total of Monthly Recurring costs	\$	16,236.46

**SCHEDULE FOR PURCHASE OF
Dedicated Maintenance Technician**



BellSouth Communication Systems, LLC

Customer: Monroe County	Customer Number: 37116 Location Number: 51	Agreement Number: CPE50416
Installation Address: 1200 Truman Avenue	Order Number: 51583873/51583875	
City: Key West State: FL Zip: 33040	Total Price: \$780,882.96 (Excluding taxes)	Term: 60 Months
	Customer Reference Number: (For Information Purposes Only)	

Customer hereby purchases **Dedicated Technician Services**, as set forth in detail below, from **BellSouth Communication Systems, LLC ("BellSouth")** under and pursuant to, and this Order modifies and supplements, for purposes of **Dedicated Technician** services only, the Master Agreement For Equipment Purchase And/Or Maintenance Service between BellSouth and Customer ("**Agreement**"). This Order shall become effective as of the last signature date set forth below. Except as specifically stated below, all terms and conditions of the Agreement remain in full force and effect. BellSouth and Customer hereby agree as follows:

Customer orders, and by acceptance of this Order BellSouth agrees to provide, **Dedicated Technician** services consisting of the following components at the net prices indicated below:

Terms and Provisions

BellSouth agrees to provide Dedicated Technician Services to Customer as stated in the above referenced Order, per the following terms and conditions:

1. BellSouth will provide Dedicated Technician(s), as stated in the above referenced Order, to work on the Customer's site(s). BellSouth and Customer agree that the duties of the Dedicated Technician(s) shall be primarily to provide the system Warranty/Maintenance work and secondarily, with time permitting, to provide incidental labor for moves, adds and changes.
2. Dedicated Technician(s) will be on Customer site(s) (8) hours per day, five (5) days a week fifty (50) weeks per year, during the hours of 8:00 A.M. and 5:00 PM, Monday through Friday excluding holidays observed by BellSouth.
3. BellSouth's Dedicated Technician(s) can perform routine adds, moves, changes, and rearrangements (installation work defined as installation work up to this "wired-for" system size (shelf in place)) which does not require engineering consideration. Parts for rearrangements, changes or moves of telecommunications Equipment are not included. Work which requires engineering consideration, issuance of Sales/Service Orders, or work outside of the normal scheduled work hours will be performed by BellSouth and billed to Customer at BellSouth's then current published rate for such work.
4. Customer must maintain an inventory of typical Equipment, on Customer's premises, necessary to perform the above mentioned work as part of the Dedicated Technician service plan. Customer must replenish this inventory as needed.
5. BellSouth will provide Maintenance Service, as stated in the Agreement, for all components that comprise Customer's telecommunications system(s) located at the site(s) as listed in the above referenced Order. Equipment purchased from BellSouth and installed at the site(s) will be covered during the warranty as stated in the Agreement. After the expiration of the warranty, the labor to maintain the Equipment will be provided by the Dedicated Technician(s) with all parts billable at BellSouth's then current rates.
6. BellSouth will insure that the Dedicated Technician is reasonably trained and qualified to make repairs to systems listed in the above referenced Order or provided by BellSouth at the covered site(s) during the term of the Order.
7. For products, equipment and/or tasks not typically supplied by BellSouth, BellSouth may, upon Customer request, agree to maintain the same under the following conditions:
 - a. Customer agrees to provide pertinent test equipment and tools, and bear all expenses for the training of the Dedicated Technician(s) on equipment or tasks, including but not limited to, manufacturer training, travel, food, lodging and replacement of Dedicated Technician(s) during the training period.

b. Customer agrees to provide all replacement parts and other required materials.

c. Customer agrees to bear the cost of any manufacturer technical support.

8. Any additional work performed by BellSouth beyond the scope of this Order, will be at BellSouth's then current rates for labor and materials.

9. The Customer shall not employ, or attempt to employ, any of BellSouth's current or former employees with whom Customer has direct contact in connection with the performance of this Order. Customer shall comply with these conditions through the term of this Order or any renewal thereof and for 12 months thereafter.

PRICING

Dedicated Technician Labor

Number of Technicians	1
Unit Price	\$619,999.80

Total Price for Technician Labor	\$619,999.80
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Dedicated Technician Vehicle

Number of Vehicles	1
Unit Price	\$33,000.00

Total Price for Vehicles	\$33,000.00
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Dedicated Technician – Ports

Number of Ports	3,500
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Total Price for Ports	\$210,000.00
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Dedicated Technician-Peripherals

Total Price for Peripherals	\$90,220.80
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Dedicated Technician-Lightning

Total Price for Lightning	\$31,500
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Total Price (Labor, Vehicle, Ports, Parts, Lightning)	\$984,720.60
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Total Price Discounted (Labor, Vehicle, Ports, Parts, Lightning)	\$780,882.96
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Pursuant to the terms and conditions of the Agreement referenced above, Customer agrees to purchase and BellSouth Communication Systems, LLC agrees to provide Services described in this Order. This Order shall automatically incorporate therein all the terms and conditions of the Agreement, and any and all terms and conditions on any Customer order forms, purchase orders, or other Customer documents shall be deemed deleted.

In Witness Whereof, the parties have executed this Order by their duly authorized representative, in multiple counterparts, each of which shall be deemed an original.

CUSTOMER

By _____
Authorized Signature Date

Name (Type or Print) Title

BellSouth Communication Systems, LLC
By BellSouth Business Systems, Inc.

By _____
Authorized Signature Date

Name (Type or Print) Title

ADDENDUM 1

This Addendum 1 ("Addendum") to the Master Agreement Number CPE50416 ("Agreement") is made by and between BellSouth Communication Systems, LLC ("BellSouth"), with corporate offices at 1936 Blue Hills Drive, Roanoke, Virginia 24012, a Georgia limited liability company and Monroe County Board Of County Commission (Monroe County) with main offices located at 1200 Truman Avenue, Suite 211, Key West, FL 33040. This Addendum becomes effective as of the last signature date set forth below (the "Addendum Effective Date"). Except as specifically stated below, all terms and conditions of the Agreement remain in full force and effect. BellSouth and Monroe County Board Of County Commission hereby agree as follows:

1. BellSouth will provide 20% discount on all future purchases of Nortel PBX hardware upgrades, and free base software upgrades to the existing PBX systems for the five-year duration of the Dedicated Technician Maintenance as described on Order Number 51582473.
2. BellSouth may increase the annual rate of maintenance by 3 percent or CPI, which ever is greater on the anniversary date of this contract. Additionally, BellSouth may adjust the material billing due to changes in port count and peripheral equipment on the anniversary date. This adjustment may result in either an increase or a decrease in maintenance billing.

IN WITNESS WHEREOF, the Parties have caused this Addendum to be executed by their duly authorized representatives as of the Addendum Effective Date.

Monroe County

BellSouth Communication Systems, LLC

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

MARSH**CERTIFICATE OF INSURANCE**CERTIFICATE NUMBER
ATL-000805308-03

PRODUCER

MARSH USA, INC.
ATTN: ANGELA D. WILLIAMS
PH: 404/995-2762/FAX: 404/760-5638
3475 PIEDMONT ROAD
SUITE 1200
ATLANTA, GA 30305

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER OTHER THAN THOSE PROVIDED IN THE POLICY. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES DESCRIBED HEREIN.

COMPANIES AFFORDING COVERAGE

COMPANY

A ACE AMERICAN INSURANCE COMPANY

COMPANY

B

COMPANY

C

COMPANY

D

INSURED

BELLSOUTH CORPORATION INCL.
BELLSOUTH BUSINESS SYSTEMS
1155 PEACHTREE STREET
ROOM 15A01
ATLANTA, GA 30309-3610**COVERAGES**

2

THIS IS TO CERTIFY THAT POLICIES OF INSURANCE DESCRIBED HEREIN HAVE BEEN ISSUED TO THE INSURED NAMED HEREIN FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THE CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, CONDITIONS AND EXCLUSIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY	HDOG21739480	04/01/03	12/01/03	GENERAL AGGREGATE	\$ 3,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				PRODUCTS - COMP/OP AGG	\$ 1,000,000
	<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				PERSONAL & ADV INJURY	\$ 1,000,000
	<input type="checkbox"/> OWNER'S & CONTRACTOR'S PROT				EACH OCCURRENCE	\$ 1,000,000
					FIRE DAMAGE (Any one fire)	\$ 1,000,000
					MED EXP (Any one person)	\$ N/A
A	AUTOMOBILE LIABILITY	ISAH0793435A	04/01/03	12/01/03	COMBINED SINGLE LIMIT	\$ 2,000,000
	<input checked="" type="checkbox"/> ANY AUTO				BODILY INJURY (Per person)	\$
	<input type="checkbox"/> ALL OWNED AUTOS				BODILY INJURY (Per accident)	\$
	<input type="checkbox"/> SCHEDULED AUTOS				PROPERTY DAMAGE	\$
	<input type="checkbox"/> HIRED AUTOS					
	<input type="checkbox"/> NON-OWNED AUTOS					
	GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT	\$
	<input type="checkbox"/> ANY AUTO				OTHER THAN AUTO ONLY:	
					EACH ACCIDENT	\$
					AGGREGATE	\$
	EXCESS LIABILITY				EACH OCCURRENCE	\$
	<input type="checkbox"/> UMBRELLA FORM				AGGREGATE	\$
	<input type="checkbox"/> OTHER THAN UMBRELLA FORM					\$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	WLRC43515640	04/01/03	12/01/03	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER	
	THE PROPRIETOR/PARTNER/EXECUTIVE OFFICERS ARE: <input type="checkbox"/> INCL. <input type="checkbox"/> EXCL.				EL EACH ACCIDENT	\$ 1,000,000
					EL DISEASE-POLICY LIMIT	\$ 1,000,000
					EL DISEASE-EACH EMPLOYEE	\$ 1,000,000
	OTHER					

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

THE MONROE COUNTY BOARD OF COUNTY COMMISSIONERS IS INCLUDED AS ADDITIONAL INSURED FOR LIABILITY COVERED BY THE POLICY BUT ONLY WITH RESPECT TO THE NAMED INSURED'S OPERATIONS, WORK, OR FACILITIES OWNED OR USED BY THE NAMED INSURED AS REQUIRED BY WRITTEN CONTRACT.

CERTIFICATE HOLDER

THE MONROE COUNTY BOARD OF COUNTY COMMISSIONERS
ATTN: LISA DRUCKEMILLER
1200 TRUMAN AVENUE
KEY WEST, FL 33040

CANCELLATION

SHOULD ANY OF THE POLICIES DESCRIBED HEREIN BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE INSURER AFFORDING COVERAGE WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED HEREIN, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER AFFORDING COVERAGE, ITS AGENTS OR REPRESENTATIVES, OR THE ISSUER OF THIS CERTIFICATE.

MARSH USA INC.

By: Walter Gilstrap

Walt Gilstrap

MM1 (3/02)

VALID AS OF: 03/31/03

AMENDMENT

This Amendment, dated _____, 2003, shall serve to modify the terms and conditions of the MASTER AGREEMENT FOR PURCHASE OF EQUIPMENT AND/OR SERVICES between BELLSOUTH COMMUNICATION SYSTEMS, LLC ("BellSouth") and MONROE COUNTY, FLORIDA ("Customer") dated _____, 200_, Agreement Number _____ (the "Agreement"), with respect only to Order No. _____ (the "Order"). The parties agree to the following changes to the Agreement with respect to this Order:

1. Customer's performance and obligation to pay under this contract is contingent upon an annual appropriation by the Board of County Commissioners.
2. A person or affiliate who has been placed on the convicted vendor list following a conviction for public entity crime may not submit a bid on a contract to provide any goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids on leases of real property to public entity, may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity, and may not transact business with any public entity in excess of the threshold amount provided in Section 287.017, for CATEGORY TWO for a period of 36 months from the date of being placed on the convicted vendor list.
3. BellSouth warrants that it has not employed, retained or otherwise had acted on its behalf any former Customer officer or employee in violation of Section 2 of Ordinance No. 10-1990 or any Customer officer or employee in violation of Section 3 of Ordinance No. 10-1990. For breach or violation of this provision the Customer may, in its discretion, terminate this contract without liability and may also, in its discretion, deduct from the contract or purchase price, or otherwise recover, the full amount of any fee, commission, percentage, gift, or consideration paid to the former Customer officer or employee.

Except as specifically modified above, all provisions of the Agreement remain in full force and effect.

Monroe County, Florida

BellSouth Communication Systems, LLC

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Rx Date/Time FEB-06-2003(THU) 11:03

P.002

220 F02/02 FEB 06 '03 10:12

BELLSOUTH

Risk Management

Room 15A01
1155 Peachtree Street, N.E.
Atlanta, GA 30309-3610
Fax# 404-249-2888

February 6, 2003

BellSouth Business Systems, Inc.
Proof of Insurance

To Whom It May Concern:

BellSouth Corporation and its subsidiaries, including BellSouth Business Systems, Inc., are protected under a Risk and Insurance Management program administered at the holding company level. The program is tailor-made to provide each entity with the broadest, most cost-effective coverage available. This letter provides information normally evidenced on Certificates of Insurance and should answer many of your questions.

BellSouth Business Systems, Inc., as a wholly owned subsidiary of BellSouth Corporation, maintains the following insurance coverages:

1. *Commercial General Liability*, including contractual liability and completed operations coverage, with limits in excess of \$1,000,000 per occurrence.
2. *Workers Compensation* in compliance with statutory requirements where work is being performed. This policy includes Employers Liability coverage with limits in excess of \$1,000,000 per occurrence.
3. *Commercial Automobile Liability* insurance for bodily injury and property damage in excess of \$1,000,000 per occurrence. This includes all owned, non-owned, leased and hired vehicles.
4. *All Risk Property* for all BellSouth property and other property under our care, custody or control with limits in excess of \$2,000,000 per occurrence. This coverage inures to any property where contractual provisions require us to maintain insurance.

BellSouth will continue to maintain a Risk and Insurance Management program that provides protection commensurate with the risks arising from its operations. Accordingly, as work is awarded or contracts are finalized, we will issue a certificate of insurance evidencing the coverage required under the contractual agreement.

BellSouth Risk Management